

Graeme Charles on Co-operation in The Devondaler



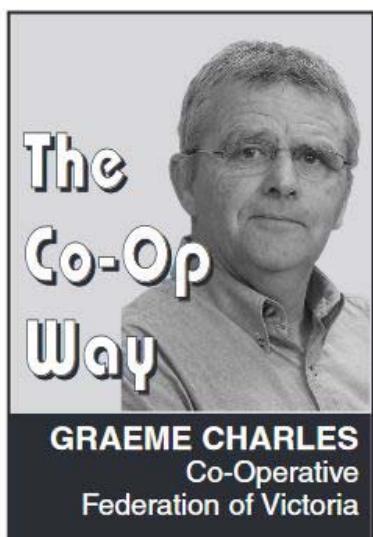
Graeme Charles was the Executive Officer and Secretary of the Co-operative Federation of Victoria Ltd between 1999 and 2002 and Deputy Chairman between 2002 and 2008 – the peak body for co-operatives in the Australian State of Victoria.

Between 2006 and 2008 Graeme Charles was a guest columnist for The Devondaler – the monthly newspaper of Murray Goulburn Co-operative Co. Limited. The Devondaler was established in 1986.

The Co-operative is one of Australia's largest with 2200 dairy farmer members and more than 2000 employees.

Twenty of these columns have been reproduced.

Review of *The Democracy Principle: Farmer Co-operatives in Twentieth Century Australia* by David Griffiths



This book is an impressive achievement by Australia's co-operative historian Gary Lewis.

Lewis argues that there are various reasons for the establishment and development of co-operatives, but that the democracy principle is truly the co-operative difference. He argues that the democracy principle is the idea held by Australian farmers that it is possible in a capitalist society to democratically own and control a business on a one-member-one-vote basis.

In the Foreword the Director General of the International Co-operative Alliance, Iain Macdonald, laments that Australia's co-operatives "seem to have been overcome by the empty promises of demutualisation, which offers nothing except bigger salaries for the CEOs."

There are a number of recurring themes throughout *The Democracy Principle*:

- Divisiveness between and within co-operative sectors.
- Continuing inability and unwillingness to work together on common objectives.

- The long-term absence of nationally uniform or federal co-operatives' legislation.
- The absence of a federal farmer co-operatives extension service.
- The absence of a co-operative bank.
- An intermittent national co-operative voice.
- A failure to invest in co-operative education and therefore, maintain a co-operative consciousness.
- The suppression of the democracy principle.
- The roles of managers and boards in either protecting or undermining the democracy principle.

The book includes a case study of the Dairy Farmers Group, a co-operative on the path to demutualisation. Ranked at 242 on the ICA's Global 300, this co-operative's brief case history encapsulates the recurring themes identified by Lewis. In the words of the ICA's Iain Macdonald, with Dairy Farmers Group proceed with demutualisation and be overcome by empty promises or will it go back to its natural home – an ethically sound and commercially successful co-operative?

The book is a must read for co-operators. Lewis has significantly added to our knowledge of how co-operatives have developed in Australia and, in particular, the large farmer co-operatives and the impact and the external and internal threat of demutualisation on these co-operatives.

The Democracy Principle may be ordered via the Federation's website:
www.australia.coop/

David Griffiths is Secretary of the Co-operative Federation of Victoria Ltd.

12 February 2007



List of Graeme Charles articles published between 2006 - 2008

Title	Date on Article or File – not when published	Identification Number
Why do you belong to Murray Goulburn Co-operative Company	1 September 2006	1
The importance of co-operatives in agriculture across the world.	2 October 2006	2
What Gives Co-operatives A Bad Name	21 November 2006	3
Murray Goulburn one of only two Australian co-operatives in the ICA Global 300	No date	4
UK Co-operative College and Co-operative Federation of Victoria helping Murray Goulburn members co-operative identity	!! December 2006	6
Review of The Democracy Principle: Farmer Co-operatives in Twentieth Century Australia by David Griffiths	12 February 2007	7
Particular Challenges for Co-operatives – Funding Expansion	12 February 2007	8
Particular Challenges for Co-operatives Part 2 Effective Democracy, or to put it another way, Members In Control	12 February 2007	9
Why are we ignoring co-operative solutions?	10 March 2007	10
A Co-operative AWB	29 March 2007	11
Could health co-operatives help solve the shortage of doctors in rural areas?	1 May 2007	12
Co-operative Demutualisation: the International Co-operative Alliance Response	6 August 2007	13
US Credit Unions buck Global Demutualisation Trend	7 August 2007	14
Co-operatives creating value for farmers and rural communities	4 November 2007	No number
Dairy Co-operatives in India	12 November 2007	16
Cooperatives get together in New Zealand to discuss the Co-operative Advantage of Dairy Business	21 November 2007	17
Retaining Co-operative Characteristics	25 January 2008	18

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Agricultural Co-operatives are Financially Competitive	7 February 2008	19
Does Co-operation Improve Profitability for Farmers	3 June 2008	21
Small is sometimes beautiful	30 September 2008	Number unknown